

Protect the Eastern Slopes

PRESENTATION TO
COAL CONSULTATION COMMITTEE
JULY 13, 2021

Presenters: John Lawson, Allan Garbutt, Bobbi Lambright



Introduction

BY JOHN LAWSON



TOPICS

- What We Have & Value
- Impact of Coal
- Costs vs Benefits
- Current “Protections”
- Recommendations



Livingstone Landowners

Our mission is to promote responsible planning, use and protection of the rare and irreplaceable land and water resources in southwest Alberta, Canada.



South Eastern Slopes

- Headwaters of the Bow and Oldman Rivers, source waters for > 2 million people in southern Alberta and the Prairies
- Narrow area of land with tremendous biodiversity & recreational value
- Areas of high habitat value for wide-ranging mammals and migratory birds/at-risk-species



Albertans Value The Eastern Slopes

76% of Albertans are in favour of more protections for the Eastern Slopes

LLG and CPAWS commissioned study
Leger Market Research & Analytics
1,000 telephone polls, cross Alberta

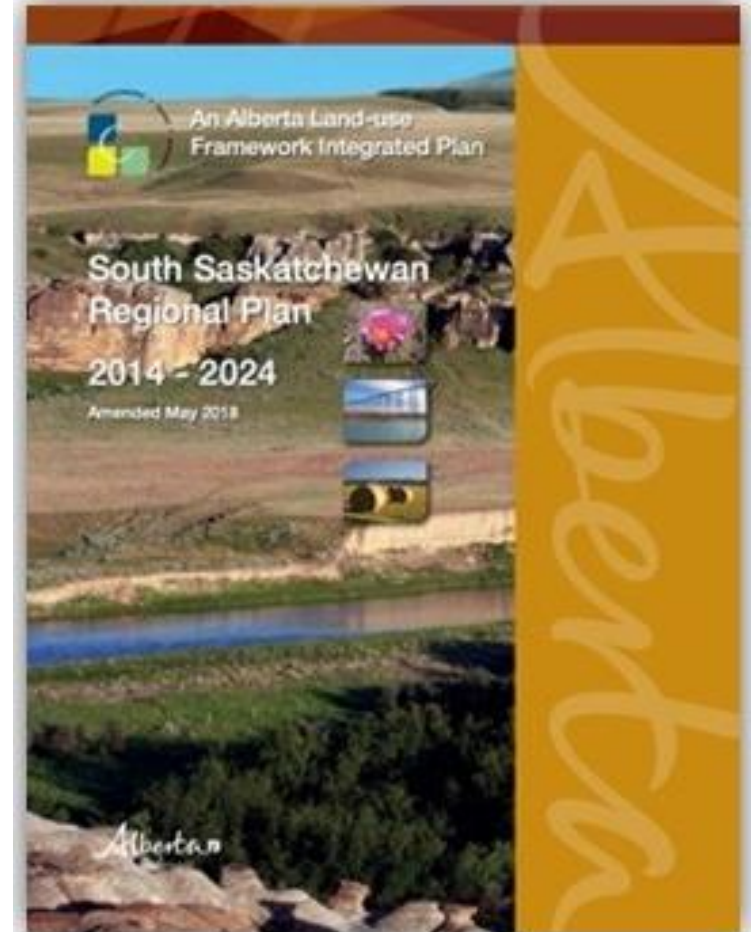
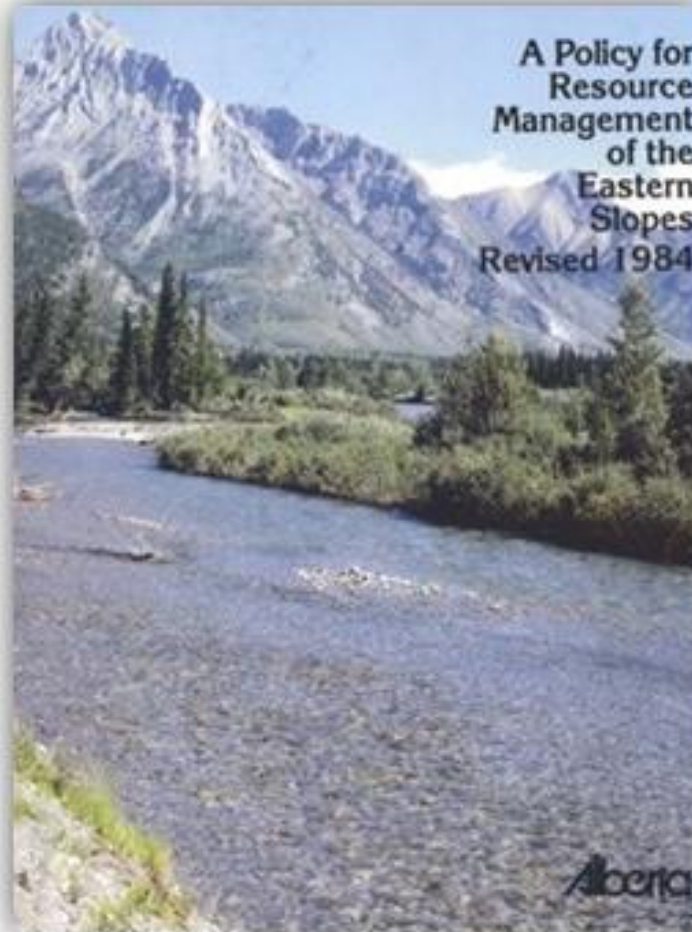
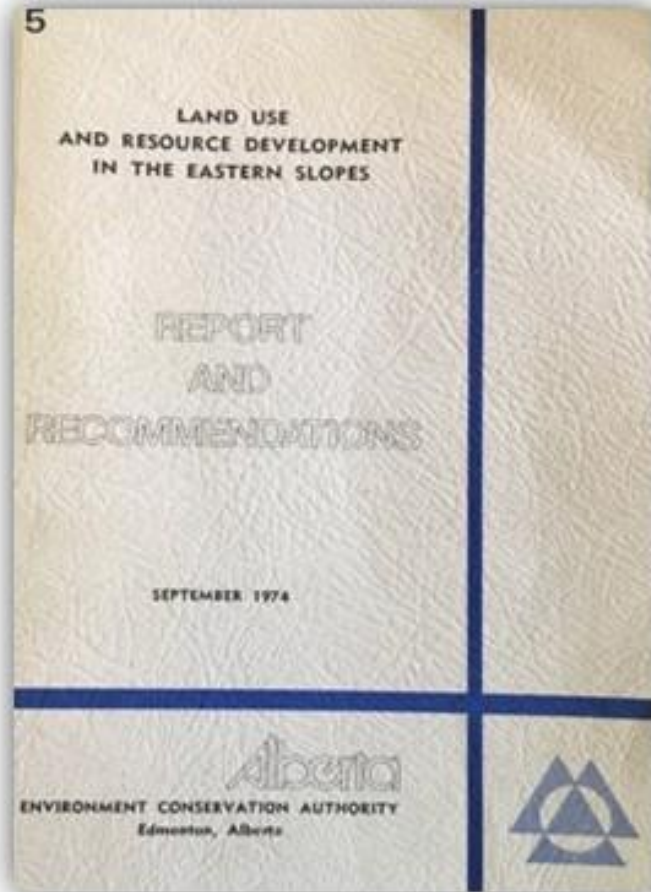
**More
results**

Coal Policy Committee Engagement Survey

- About 25,000 responses
- Province wide, all age groups
- > 90% opposed coal exploration and development in some areas
- Major concern areas align with Eastern Slopes



Albertans Value The Eastern Slopes



Then Came Coal

- 1976 Coal Policy Rescinded in May 2020
- Reduced regulatory steps and removed historic regulatory requirements
- Within weeks, the government awarded new coal leases province-wide for 1,870 sq km of previously protected land in the Eastern Slopes (more than a 400% increase)
- Requests for exploration permits were expedited, including same day approvals



Coal Mining Impacts/Risks

BY ALLAN GARBUTT, PHD, MD



Grassy Mountain

“In its capacity as the AER, the panel determined that **the adverse environmental effects** on surface water quality and westslope cutthroat trout and its habitat **outweigh the positive economic impacts** of the project and the project is not in the public interest. ”

Will the other proposed mines be any better?



Water Is Life

“**Water** is not only a resource, it is a **life** source. We all share the responsibility to ensure a healthy, secure and sustainable **water** supply for our communities, environment and economy.” – Water For Life Strategy*

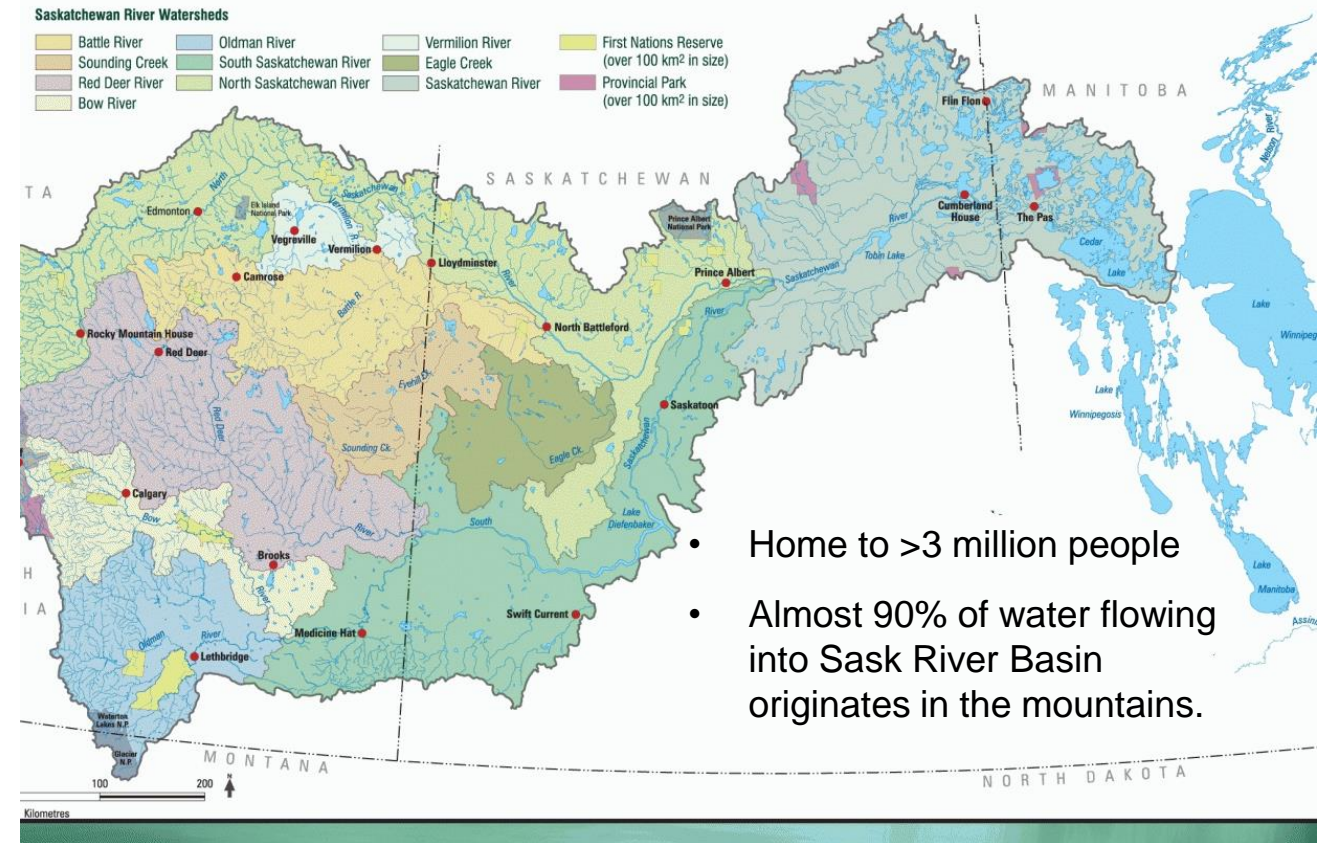
- Bow, Oldman and South Saskatchewan water basins closed to new allocations in 2006 due to scarce water supply
- LLG commissioned study finds coal mines will have a significant, irreversible, regional-scale impact on the Oldman Watershed

*Since 2003, Water for Life has been the Alberta government's overarching strategy for water management in Alberta.

Sub Basins of the Saskatchewan River Basin

From the Mountains to the Sea – The State of the Saskatchewan River Basin Report

For more information:
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email: partners@saskriverbasin.ca



Past Performance: McLeod River Findings

- Impact of Coal Mining of McLeod River Headwaters (2005-2016)
- Increases in 12 metals, including selenium, arsenic and lead
- Levels **significantly** exceed guidelines

Site	Gregg River % Change	Luscar Creek % Change
Total Aluminum	119%	393%
Total Antimony	3136%	3758%
Total Arsenic	232%	604%
Total Lead	85%	363%
Total Lithium	537%	1095%
Total Manganese	315%	3201%
Total Molybdenum	287%	147%
Dissolved Nitrogen NO3+NO2	318%	2042%
Total Selenium	786%	889%
Sodium Ion	6100%	7180%
Total Thorium	104%	120%

Human Health

- Evidence of human health disorders – Appalachia
- Increases in premature/low birth weight babies
- Lung, liver, heart and kidney disease
- Increased rates of dementia, cancer



Animal Health At-Risk-Species

- Teck Coal fined \$60 million for waterway pollution
- Fording River – 93% fish kill
- Selenium toxic to aquatic life
- High selenium concentrations found in Big Horn sheep
- Damage to agricultural values



Coal Exploration

- Widespread destruction of landscape
- Disruption to water collection and small streams/tributaries
- Linear disturbance exceeds legal limits
- No reclamation bonds
- Enforcement?



Cost/Benefits Current Protections Recommendations

BY BOBBI LAMBRIGHT



Coal Costs/Benefits

- Environment and Health Risks outweigh claimed benefits
- Coal Mines rarely, if ever, generate forecast benefits
- Very low royalties, often pay zero taxes
- New rules don't require full cost/benefit analysis
- Uncertain industry, volatile markets, frequent failure
- Sustainable industries in Alberta created more than 4,000 new jobs last year alone



Other Industry Impact

Coal mines incompatible with other high value industries in the region:

- Ranching
- Agriculture
- Tourism
- Lifestyle Migration



Financial Risk

- Small shell companies, with financial viability typically tied solely to local mine assets
- Coal mines are highly vulnerable to coal markets, coal quality, unexpected costs
- Ongoing selenium management needed after mine closes
- Reclamation cost overshadows potential economic benefit



Benga

- One primary asset – Grassy Mountain
- Not publicly listed



Montem Resources

- Coal Assets: Tent Mountain/Chinook
- Market cap \$8.4 million



Cabin Ridge

- 5000 ha of coal rights north of Crowsnest
- Not publicly listed



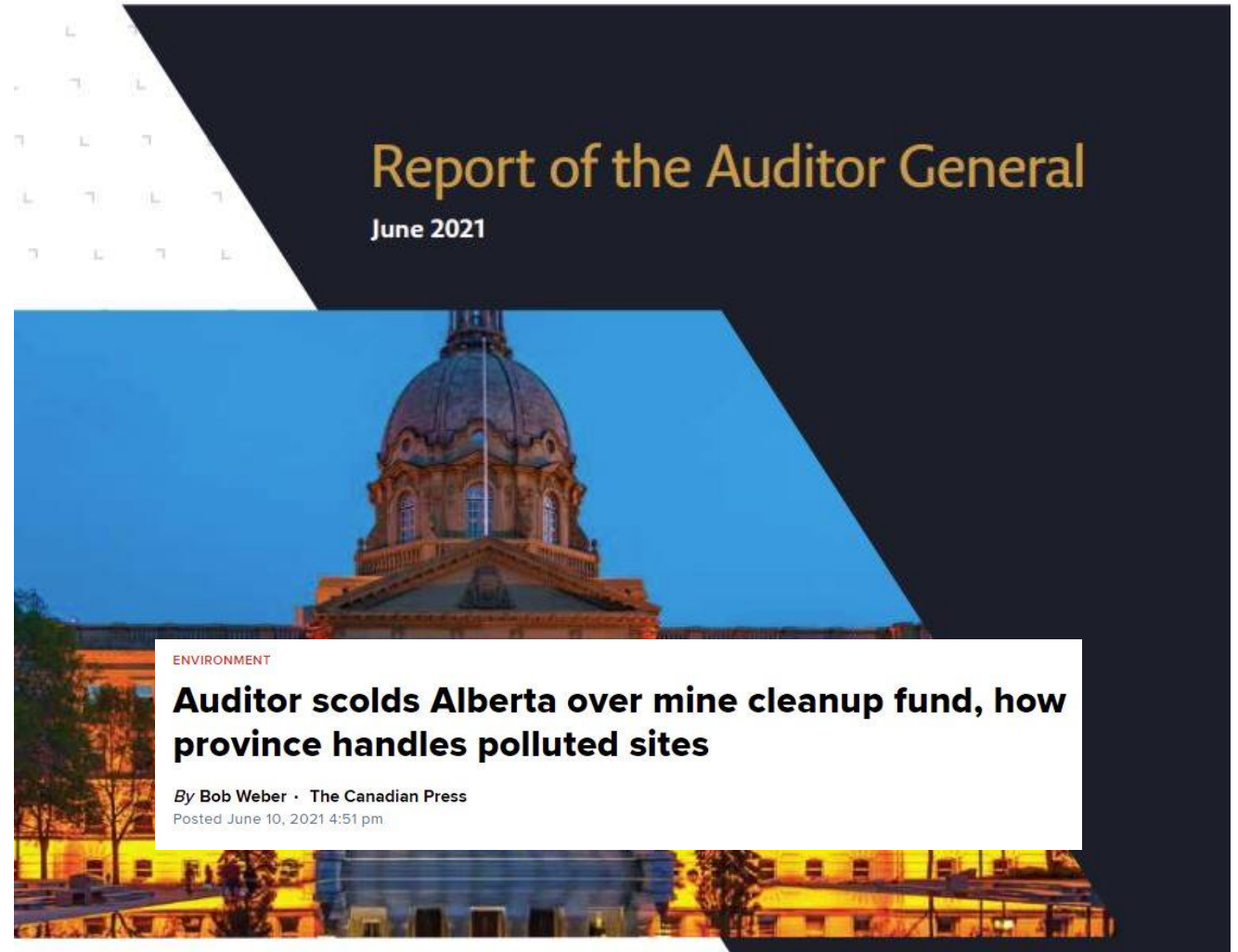
Atrum Coal

- Flagship asset Elan Coal project
- Market cap \$16.88 million

**Data as of June 30/21: <https://simplywall.st/stocks/au/>*

Auditor General Findings

- Lack of clarity between AER, Dept of Environment on responsibilities
- Confusion over funding sources for clean-up
- Inconsistent site prioritization for clean-up
- Managing & accounting gaps for environmental liabilities
- Unsatisfactory progress on 2015 recommendations



Mine Liability Risk

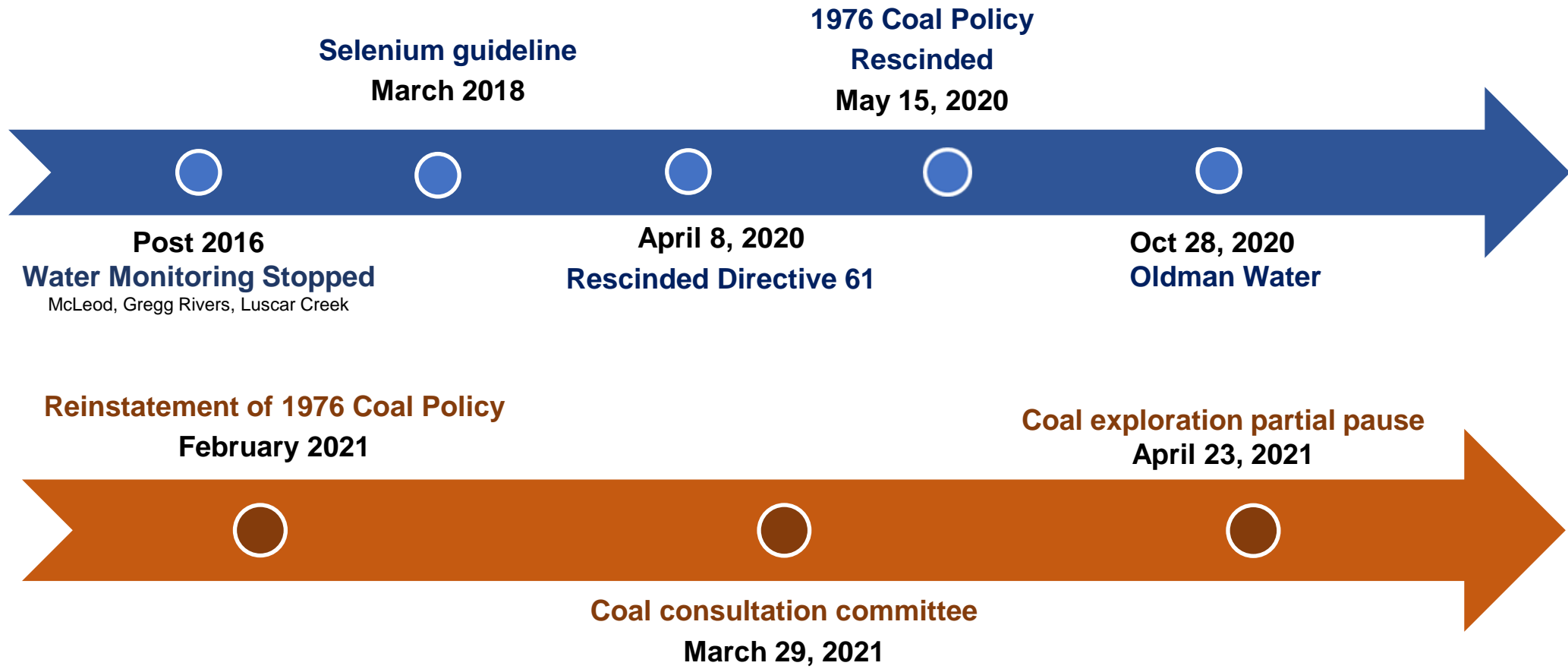
- Current Fund Liabilities exceed security by about \$30 Billion
- Albertans bear risk for reclamation if mine operator fails to meet reclamation targets

Mine Financial Security Program – Security and Liability

MFSP liability and security, in billions of dollars

	Reported by June 30, 2016	Reported by June 30, 2017	Reported by June 30, 2018	Reported by June 30, 2019	Reported by June 30, 2020
MFSP liability	23.19	27.79	28.35	31.39	31.45
MFSP security held	1.38	1.39	1.46	1.47	1.48

Alberta Policy Change Timelines



Current “Protections” Inadequate

- Land Use Planning Incomplete
- Black Box AER Process
- Very limited public visibility, engagement
- Role confusion between depts
- Inadequate Government Resources



Summary

- The Eastern Slopes are critical headwaters, unique, highly valued and need permanent protection
- Coal mining causes significant and irreversible damage
- Coal-related economic benefits are speculative, don't outweigh environmental consequences.
- Other high-value industries are incompatible with coal
- Coal mining creates long term financial and environmental risk



Recommendations

- **No Coal Development in the Eastern Slopes**
 - Must include **All** land categories
 - Must be **permanent, legislated** protections
- **Existing Mines To Retire Gracefully (No extensions/expansions)**
- **Coal Exploration Clean Up by 2025**
 - Coal companies must be held accountable and required to complete full restoration of sites damaged by exploration activity
- **Monitoring and Clean Up of Existing Mines & Contaminated Sites**
 - Grassy Mountain, Tent Mountain,
 - Other inactive sites and existing sites as they wind down



Questions?